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FOR IO/T - CHRIS WOOD

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SUBJECT: UPU CONGRESS DEMARCHE: AUSTRALIAN RESPONSE

REF: STATE 66814

11. (SBU) Summary. Econoff and Econ intern met with Richard Desmond, acting Assistant Secretary for Consumer Protection and Australia Post for the Department of Broadband, Communication, and Digital Economy (DBCDE) to review U.S. concerns for the UPU (Universal Postal Union) Congress in Geneva, Switzerland from 23 July to 12 August 2008. Acting Manager of DBCDE's Postal Policy Section Michael McLean also joined the meeting. Although Australia has not finalized its positions, Desmond, who will represent Australia at the UPU Congress, said he believes Australia would likely support U.S. positions with the possible exception of expanding financial services, depending on the wording of a possible proposal. End Summary.

## US Candidacy for CA and POC

12. (SBU) Desmond said Australia had been approached by a number of countries seeking election to the POC (Postal Operations Council). He commented that Australia Post is also a candidate to retain its position on the POC, and if a change were to happen to allow third terms on the CA (Council of Administration), Australia would run for re-election there as well. Desmond said Australia would be looking to support "like minded" countries for both, and noted that the United States and Australia generally have similar views on UPU issues. However, he said that Australia cannot commit in advance on how it will vote.

## UPU Mission Statement

- ¶3. (SBU) Australia has similar concerns and views about the proposed change to the UPU mission statement. Desmond opposes extending the UPU mission, saying the UPU should "stick to its knitting." Like the United States, Desmond said that for Australia, the WTO takes precedence and the UPU should not impinge on WTO business.
- 14. (SBU) Desmond touched on what he sees as the growing differences between the developed and developing world in terms of postal administrations. In the long term, Desmond hoped for greater distance between governments and postal administrations, particularly in developing countries. The government should establish the regulatory framework while the postal administration should seek more efficient operations, and the UPU should support this model.
- 15. (SBU) Desmond said that financial services is an issue best left to individual members and that Australia's position on a financial services proposal would depend on its wording. Desmond felt that this issue is a matter of domestic policy. He added that the GOA would probably not try to stop Australia Post if it wanted to take the commercial decision to offer some kinds of financial services such as selling money orders.

Zero Growth

16. (SBU) Desmond said zero growth was a useful discipline for the UPU, and a check on those would like to expand the UPU's mission, and said Australia supports voluntary funds for other functions such as the UPU cooperatives.

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